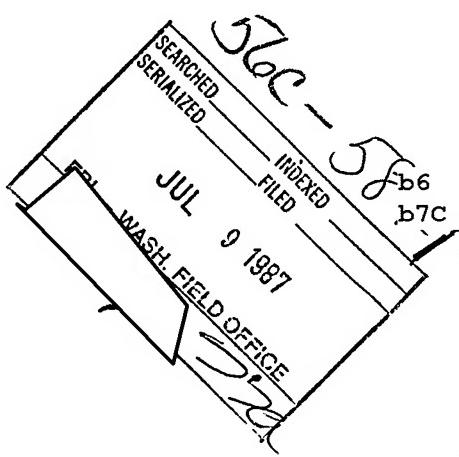


FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1349262-0

Total Deleted Page(s) = 21

Page 12 ~ b6; b7C; b7D;
Page 13 ~ b6; b7C; b7D;
Page 14 ~ b6; b7C; b7D;
Page 50 ~ Duplicate;
Page 51 ~ Duplicate;
Page 52 ~ Duplicate;
Page 53 ~ Duplicate;
Page 54 ~ Duplicate;
Page 55 ~ Duplicate;
Page 56 ~ Duplicate;
Page 57 ~ Duplicate;
Page 58 ~ Duplicate;
Page 59 ~ Duplicate;
Page 60 ~ b6; b7C;
Page 61 ~ Duplicate;
Page 62 ~ Duplicate;
Page 63 ~ Duplicate;
Page 64 ~ Duplicate;
Page 71 ~ Duplicate;
Page 72 ~ Duplicate;
Page 88 ~ b6; b7C; b7D;

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b6
b7C

M E M O R A N D U M

DATE: 6/17/87

TO: SAC, WFO

FROM: SA [redacted]

SUBJECT: FRONT DOOR
MAJOR CASE 1970
(OO:HQ)

On June 17, 1987, the writer received a phone call
from the [redacted]

b6
b7C
b7D

According to [redacted]

b6
b7C
b7D

The writer [redacted]

b6
b7C
b7D

1 - WFO
CW:lgv
(1)

INTERVIEW SET 7/7/87 10 AM

[redacted] ADMIN #SST,

224-3744 (Office).

SSA [redacted] 6 C-Near 5701 Bldg.
say do have WFO do you
[redacted] refer to HQ for
opinion in next step.
1pm 4/15
6/22/87
SSA [redacted] phone w/
be will get back to me
6/24/87
4pm
6/22/87
VH

b6
b7C

[REDACTED]

[REDACTED]

[REDACTED]

b6
b7C
b7D

The writer advised that he would look into the

[REDACTED]

[REDACTED]

b7D

Because of the relationship existing between the

[REDACTED]

THE WRITER REQUESTS

b6
b7C

THAT whatever action deemed appropriate be
RECALLED first from writer to [REDACTED]

Date _____

7/14/87

Title and Character of Case

INQUIRY; OO; WASHINGTON FIELD ASE; ELECTION LAW MATTER; PRELIMINARY

b6
b7c

| | | |
|------------------------|-------------------------------------|-----------|
| Date Property Acquired | Source From Which Property Acquired | TELEPHONE |
|------------------------|-------------------------------------|-----------|

b3
b6

7/13/87

TELEPHONE

WASH., DC 20015 B/C

Location of Property or Bulky Exhibit **Reason for Retention of Property and Efforts Made to Dispose of Same**

C-7 GRAND JURY ROOM

Reason for EVIDENCE

| | | | |
|---|------------|--|-----------------------------|
| To Be Returned <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | See Serial | Agent Submitting Property or Exhibit SA | Agent Assigned Case SAME |
|---|------------|--|-----------------------------|

Yes No Grand Jury Material - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure.

Description of Property or Exhibit

b3
b7D

For Valuable and/or Narcotics Evidence Only

Evidence Bag Seal #

**Signature of Two
Special Agents
Verifying and Sealing
Bag Contents**

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and Date)

Field File # 56C-589

OO: _____ WFO

BLOCK STAMP

| | |
|------------------------|---------|
| SEARCHED | INDEXED |
| SERIALIZED <i>0870</i> | FILED |

JUL 14 1987

FBI — WASH. FIELD OFFICE

Field File # 56C-589

OO: _____ WFO

ORIGINAL (FILE COPY)

14189 - Mailed to 5518 Grand
Ave, Des Moines, IA [] R.M.

b6
b7c

CHAIN OF CUSTODY

Item No.

Remarks

Bulky Exhibit - Inventory of Property Acquired as Evidence
FD-192 (Rev. 7-18-85)

Date
7/28/88

Title and Character of Case

ELECTION LAWS

b6
b7C

Date Property Acquired Source From Which Property Acquired b3

b6
b7C

Location of Property or Bulky Exhibit Reason for Retention of Property and Efforts Made to Dispose of Same
C-7 Evidence

To Be Returned See Serial Agent Submitting Property or Exhibit Agent Assigned Case
 Yes No SAME

Yes No Grand Jury Property - Disseminate Only Pursuant to Rule 6(e), Federal Rules of Criminal Procedure.

Yes No Property to be Forfeited to the Government

Description of Property or Exhibit

b3

For Valuable and/or Narcotics Evidence Only

Evidence Bag Seal # _____

Signature of Two
Special Agents
Verifying and Sealing
Bag Contents

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and Date)

56C-589-1B (2)

BLOCK STAMP

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|--------------------------|---------|
| SEARCHED | INDEXED |
| SERIALIZED | FILED |
| AUG 1 1988 | |
| FBI - WASH. FIELD OFFICE | |

(Handwritten signatures and initials over stamp)

Field File # 56C-589

OO: WMFO

Returned 12/8/88
(See serial 55)

ORIGINAL (FILE COPY)

CHAIN OF CUSTODY

Item No.

Remarks

FBI

DMB/NEW IP

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date

7/10/87

0015

FM FBI WASHINGTON FIELD OFFICE (56C-NEW) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [REDACTED]

BT

UNCLAS

[REDACTED]

AMERICANS FOR STRENGTH THROUGHEFFICIENCY (ASE), AKA THE FOUNDATION; ELECTION LAW MATTER;

PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELCALL OF SSA [REDACTED] TO BUREAU SSA [REDACTED]

6/22/87 AND TELCALL OF WFO SSA [REDACTED] TO SSA [REDACTED] 7/9/87.

ON JUNE 17, 1987, [REDACTED] (PROTECT)

b6
b7cb6
b7c
b7d

L2-WFO

DMB:ld
(2)

Approved:

MS/DM

Transmitted

(Number)

(Time)

Per

[REDACTED] ??a
56-1589-2b6
b7c

FBI

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date _____

PAGE TWO DE WF UNCLAS

b7D

ON 6/22/87, THE

ABOVE INFORMATION WAS TELEPHONICALLY DISCUSSED WITH FBIHQ OFFICIAL NEIL DIVERS WHO CONCURRED THAT WFO WOULD ASCERTAIN THE FACTS SURROUNDING THIS MATTER AND PROVIDE SAME TO FBIHQ FOR APPROPRIATE EVALUATION. IN ADDITION, THIS INFORMATION WAS TELEPHONICALLY PROVIDED TO SSA [REDACTED] FBIHQ, WHO CONCURRED WITH THE ABOVE ACTION.

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b7C
b7D

FOR THE INFORMATION OF THE BUREAU, ON 7/7/87, WFO AGENTS INTERVIEWED [REDACTED]

(X) AT HIS OFFICE LOCATION, WASHINGTON, D.C. AT HIS REQUEST.

[REDACTED] PROVIDED THE FOLLOWING INFORMATION:

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

FBI

TRANSMIT VIA:

Teletype
 Facsimile

PRECEDENCE:

Immediate
 Priority
 Routine

CLASSIFICATION:

TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date _____

^PAGE SIX DE WF UNCLAS

WFO HAS SCHEDULED A MEETING WITH [REDACTED] ASSISTANT CHIEF/OPERATIONS, PUBLIC INTEGRITY SECTION, DOJ, WASHINGTON, D.C., FOR 7/10/87. THE BUREAU SHOULD NOTE THAT WFO HAS ALSO SCHEDULED AN INTERVIEW WITH [REDACTED] AT 9:00 A.M., MONDAY, JULY 13, 1987. THE BUREAU WILL BE KEPT APPRISED OF ALL PERTINENT DEVELOPMENTS.

ADMINISTRATIVE DATA:

THE BUREAU SHOULD NOTE THAT WFO'S INTERVIEW OF [REDACTED]

b6
b7Cb6
b7C
b7D

[REDACTED]
[REDACTED] FURTHER, IT IS APPARENT THAT WFO WILL HAVE TO INTERVIEW [REDACTED] IN ORDER TO ESTABLISH THE FACTS AND/OR DETAILS SURROUNDING THIS MATTER. IN THIS REGARD [REDACTED] HAS AGREED TO PROVIDE TO WFO ON MONDAY, JULY 13, 1987 ALL NECESSARY FACTS AND RECORDS RELATED TO THIS MATTER.

BT

Approved: _____ Transmitted _____ Per _____
(_____) (_____) (_____)

FBI

Dm/B/NEW/P

TRANSMIT VIA:

- Teletype
- Facsimile
- _____

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date

7/10/87

FM FBI WASHINGTON FIELD OFFICE (56C-NEW) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [REDACTED]

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BT

UNCLAS

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b7C

[REDACTED] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE), AKA THE FOUNDATION; ELECTION LAW MATTER;

PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELCALL OF SSA [REDACTED] TO BUREAU SSA [REDACTED]

6/22/87 AND TELCALL OF WFO SSA [REDACTED] TO SSA [REDACTED] 7/9/87.

ON JUNE 17, 1987, [REDACTED] (PROTECT)

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b7D✓
2-WFO

DMB:ldj (2)

56-589-2

Searched.....
 Serialized.....
 Indexed.....
 Filed.....

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

VZCZCWFO015

PP HQ

DE WF #0015 1911341

ZNR UUUUU

P 101341Z JUL 87

FM FBI WASHINGTON FIELD OFFICE (56C-NEW) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [REDACTED]

b6
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BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE), AKA THE FOUNDATION; ELECTION LAW MATTER;

PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELCALL OF SSA [REDACTED] TO BUREAU SSA [REDACTED]

6/22/87 AND TELCALL OF WFO SSA [REDACTED] TO SSA [REDACTED] 7/9/87.

ON JUNE 17, 1987, [REDACTED] (PROTECT)

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56-589-2

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| SEARCHED | INDEXED |
| SERIALIZED | FILED |
| JUL 13 1987 | |
| FBI - WASH. FIELD OFFICE | |

108

VZCZCWFOO15

PP HQ

DE WF #0015 1960028

ZNR UUUUU

P 150028Z JUL 87

FM FBI WASHINGTON FIELD OFFICE (560-589) (P) (C-7)

TO ACTING DIRECTOR FBI PRIORITY

ATTENTION: PUBLIC CORRUPTION UNIT, SSA [redacted]

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BT

UNCLAS

[redacted] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE), AKA, THE FOUNDATION; ELECTION LAW MATTER;
PRELIMINARY INQUIRY; OO:WASHINGTON FIELD.

RE WASHINGTON FIELD TELETYPE TO BUREAU, DATED JULY 10, 1987.

ON JULY 13, 1987, WASHINGTON FIELD AGENTS INTERVIEWED

SUBJECT, [redacted]

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b7c

[redacted] REGARDING CAPTIONED ALLEGATIONS AND HE
FURNISHED THE FOLLOWING INFORMATION:

DURING JUNE, 1985, ASE WAS FORMED [redacted]
[redacted]
[redacted]

56-589-3

| | |
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| SEARCHED | INDEXED |
| SERIALIZED | FILED |
| JUL 15 1987 | |
| FBI - WASH. FIELD OFFICE | |

[Signature]

PAGE TWO DE WF 0015 UNCLAS

GRASSLEY WERE THE FOUNDING HONORARY CO-CHAIRMEN OF ASE. DURING
THE FIRST WEEK OF DECEMBER, 1986, [REDACTED] RESIGNED FROM ASE
BECAUSE OF PROBLEMS CAUSED BY [REDACTED]

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[REDACTED] WAS RESPONSIBLE FOR [REDACTED]
ASE [REDACTED] AND THAT [REDACTED] NEVER RECEIVED ANY ASE

[REDACTED]
SINCE DECEMBER, 1986, [REDACTED]

MEMBER ON THE ROBERT DOLE FOR PRESIDENT EXPLORATORY COMMITTEE
(DOLE CAMPAIGN).

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ON JUNE 3, 1987, SENATOR GRASSLEY TELEPHONED [REDACTED] FOR
THE PURPOSE OF DISCUSSING ALLEGATIONS WHICH [REDACTED]
[REDACTED] SENATOR GRASSLEY TOLD [REDACTED]
[REDACTED] INTENDED TO [REDACTED] ACCORDING TO SENATOR
GRASSLEY, [REDACTED] STATED CARL CHANNELL [REDACTED] WITH
[REDACTED] HAD ATTEMPTED TO TAKEOVER ASE FOR THE
PURPOSE OF USING THAT ORGANIZATION TO PROVIDE FINANCIAL SUPPORT
TO THE COUNTER-REVOLUTIONARIES IN NICARAGUA. SENATOR GRASSLEY
STATED FURTHER THAT [REDACTED] CHANNELL GAVE [REDACTED] MONEY
FROM THE PROFIT OF ARMS SALES TO IRAN, WHICH MONEY [REDACTED] USED
TO PURCHASE A HOUSE. FURTHERMORE, SENATOR GRASSLEY ADVISED

PAGE THREE DE WF 0015 UNCLAS

THAT [REDACTED] CLAIMED THOUSANDS OF DOLLARS HAD BEEN CONTRIBUTED TO SENATOR GRASSLEY'S 1986 SENATORIAL CAMPAIGN THROUGH THE CONDUIT OF FICTITIOUS SUPPORTERS FOR THE PURPOSE OF CHANGING THE STATE OF POLITICS IN THE UNITED STATES. ACCORDING TO THE CLAIMS MADE BY [REDACTED] THIS CONDUIT FINANCING WAS ACCOMPLISHED WITH THE KNOWLEDGE AND ASSISTANCE OF [REDACTED] IN RESPONSE TO [REDACTED] ALLEGATIONS AS STATED ABOVE, [REDACTED] STATED THEY WERE ENTIRELY WITHOUT MERIT AND FURNISHED THE FOLLOWING INFORMATION REGARDING CHANNELL.

[REDACTED] CHANNELL DURING 1983 OR 1984, AT A PARTY IN WASHINGTON, D. C. [REDACTED] COULD NOT RECALL THE LOCATION OF THE

PARTY, HOWEVER, HE DID RECALL THAT IT WAS SOCIAL IN NATURE AND DID NOT INVOLVE A FUNCTION ASSOCIATED WITH SENATOR GRASSLEY'S OFFICE. CHANNELL OWNED THREE OR FOUR FUNDRAISING COMPANIES, WHICH INCLUDED CHANNELL CORPORATION IN WASHINGTON, D. C. [REDACTED]

[REDACTED] CHANNELL CORPORATION, AND CHANNELL BECAME [REDACTED]

DURING JUNE, 1985, [REDACTED]

SENATOR GRASSLEY'S 1986 RE-ELECTION CAMPAIGN. CHANNELL AND [REDACTED] PROVIDED [REDACTED] WITH ADVICE ON FUNDRAISING ACTIVITIES

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PAGE FOUR DE WF 0015 UNCLAS

AND DURING DECEMBER, 1985, CHANNELL ORGANIZED A FUNDRAISING BREAKFAST WHICH RASIED \$10,000 FOR SENATOR GRASSLEY'S CAMPAIGN.

[REDACTED] RECALLED THE IDENTITIES OF EIGHT INDIVIDUALS, WHO CONTRIBUTED MONEY TO SENATOR GRASSLEY'S CAMPAIGN IN CONNECTION WITH THE FUNDRAISING BREAKFAST. CHANNELL [REDACTED] EACH CONTRIBUTED \$1,000. [REDACTED] CHANNELL WHO RAISED FUNDS FOR THE NICARAGUAN COUNTER-REVOLUTIONARIES, ALSO CONTRIBUTED \$1,000. [REDACTED] ALSO CONTRIBUTED \$1,000.

[REDACTED] CHANNELL CORPORATION, CONTRIBUTED \$1,000. [REDACTED]

[REDACTED] ASSOCIATES OF CHANNELL, ALSO CONTRIBUTED \$1,000 EACH. [REDACTED] COULD NOT RECALL THE IDENTITIES OF THE OTHER TWO CONTRIBUTORS. [REDACTED] STATED THAT EXCEPT FOR THIS FUNDRAISING BREAKFAST, HE IS AWARE OF NO OTHER CAMPAIGN FUNDS GENERATED BY CHANNELL FOR SENATOR GRASSLEY'S 1986 CAMPAIGN.

[REDACTED] STATED HE NEVER RECEIVED ANY MONEY FROM CHANNELL OR CHANNELL'S ASSOCIATES. [REDACTED]

[REDACTED] WASHINGTON, D. C., FOR \$225,000 ON OCTOBER 5, 1986. [REDACTED] AND

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PAGE FIVE DE WF 0015 UNCLAS

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ADMINISTRATIVE DATA:

THE BUREAU SHOULD NOTE THAT WASHINGTON FIELD'S INTERVIEW OF
[REDACTED] YIELDED MANY DETAILS, HOWEVER, THIS COMMUNICATION
CONTAINS ONLY A PORTION OF THOSE DETAILS. WASHINGTON FIELD WILL
EXPEDITIOUSLY PROVIDE BUREAU WITH A FD-302 CONTAINING DETAILS OF
THE [REDACTED] INTERVIEW.

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REQUEST OF FBIHQ:

FBIHQ IS REQUESTED, THROUGH APPROPRIATE DISCUSSION WITH
DEPARTMENT OF JUSTICE OFFICIALS, TO ADVISE WASHINGTON FIELD
WHETHER INTERVIEW OF [REDACTED] SHOULD BE CONDUCTED BY
WASHINGTON FIELD OR THE OFFICE OF INDEPENDENT COUNSEL, WHICH IS
CURRENTLY INVESTIGATING ALLEGATIONS OF ARMS SALES TO IRAN AND
DIVERSION OF PROFITS TO THE CONTRAS.

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PAGE SIX DE WF 0015 UNCLAS

THE INTERVIEW OF [REDACTED] REVEALED INFORMATION WHICH MAY BE RELATED TO AN INVESTIGATION BEING CONDUCTED BY THE OFFICE OF INDEPENDENT COUNSEL; SPECIFICALLY, ALLEGATIONS MADE BY [REDACTED] [REDACTED] WITH REGARD TO CARL CHANNELL AND HIS ASSOCIATES. AN INTERVIEW OF [REDACTED] IS OF ABSOLUTE NECESSITY IN ORDER TO PROCEED FURTHER IN THE INVESTIGATION OF CAPTIONED MATTER. ON JUNE 14, 1987, WASHINGTON FIELD DISCUSSED THIS MATTER WITH [REDACTED] ASSISTANT CHIEF FOR OPERATIONS, PUBLIC INTEGRITY SECTION, DEPARTMENT OF JUSTICE, WASHINGTON, D. C., WHO ADVISED THAT HE FULLY INTENDS TO PURSUE THIS MATTER. [REDACTED] ADVISED THAT HE WILL COORDINATE WITH BUREAU ANY POSSIBLE INTEREST BY THE OFFICE OF INDEPENDENT COUNSEL IN THIS MATTER. WASHINGTON FIELD WILL HOLD IN ABEYANCE ANY ADDITIONAL INTERVIEWS PENDING A DECISION BY BUREAU AND DEPARTMENT OF JUSTICE AS TO WHETHER FURTHER INTERVIEWS SHOULD BE CONDUCTED BY WASHINGTON FIELD OR THE OFFICE OF INDEPENDENT COUNSEL.

BT

#0015

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FBI

TTA/589

(P) SP #10

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date 7/14/87

OO15

1 FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

2 TO ACTING DIRECTOR FBI PRIORITY

3 ATTENTION: PUBLIC CORRUPTION UNIT, SSA [REDACTED]

4 BT

5 UNCLAS

6 [REDACTED] AMERICANS FOR STRENGTH THROUGH

7 EFFICIENCY (ASE), AKA, THE FOUNDATION; ELECTION LAW MATTER;
8 PRELIMINARY INQUIRY; OO:WASHINGTON FIELD.

9 RE WASHINGTON FIELD TELETYPE TO BUREAU, DATED JULY 10, 1987.

10 ON JULY 13, 1987, WASHINGTON FIELD AGENTS INTERVIEWED

11 SUBJECT, [REDACTED]

12 [REDACTED] REGARDING CAPTIONED ALLEGATIONS AND HE .

13 FURNISHED THE FOLLOWING INFORMATION:

14 DURING JUNE, 1985, ASE WAS FORMED [REDACTED]

15 [REDACTED]
16 [REDACTED]

17

18

19 ^ (2) Washington Field

20

TTA:mye

(2) MMJ

21

Approved: [Signature]

Transmitted

Per _____

(Number)

(Time)

Scho

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56-589-4

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b7c

TTA/58 SP #10

7/14/87

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR FBI PRIORITY

ATTENTION: PUBLIC CORRUPTION UNIT, SSA [redacted]

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BT

UNCLAS

[redacted] AMERICANS FOR STRENGTH THROUGH
EFFICIENCY (ASE), AKA, THE FOUNDATION; ELECTION LAW MATTER;
PRELIMINARY INQUIRY; OO:WASHINGTON FIELD.

RE WASHINGTON FIELD TELETYPE TO BUREAU, DATED JULY 10, 1987.

ON JULY 13, 1987, WASHINGTON FIELD AGENTS INTERVIEWED
SUBJECT, [redacted],

[redacted] REGARDING CAPTIONED ALLEGATIONS AND HE
FURNISHED THE FOLLOWING INFORMATION:

DURING JUNE, 1985, ASE WAS FORMED [redacted]

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2-Washington Field

TTA:mye

(2)

File
Searched.....
Serialized.....
Indexed.....
56-589-4

INBOX.3 (#558)

TEXT:

VZCZCHQ0326

RR WFO

DE HQ #0326 2001204

ZNR UUUUU

R 172130Z JUL 87

FM ACTING DIRECTOR FBI

TO FBI, WASHINGTON FIELD OFFICE (56C-NEW) (C-7) (ROUTINE)

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY (ASE), AKA THE FOUNDATION; ELECTION LAW MATTER;
PRELIMINARY INQUIRY; OO: WFO.

RE WFO TELETYPE TO FBIHQ, DATED JULY 10, 1987; AND
TELEPHONE CONVERSATION ON JULY 16, 1987, BETWEEN SA [REDACTED]
WFO, AND SSA [REDACTED] PUBLIC CORRUPTION UNIT (PCU),
WHITE-COLLAR CRIMES SECTION.

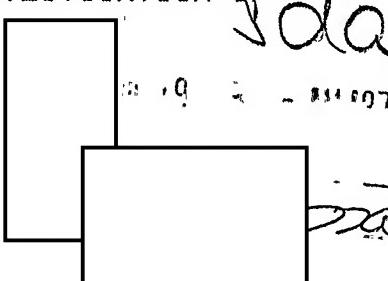
AS DISCUSSED IN THE REFERENCED TELEPHONE CONVERSATION,
MEMBERS OF THE OFFICE OF INDEPENDENT COUNSEL (OIC) LAWRENCE E.
WALSH HAVE BEEN BRIEFED ABOUT THE CAPTIONED MATTER. ON
JULY 16, 1987, SA [REDACTED] OIC, STATED THAT THE OIC
HAS NO OBJECTION TO THE FBI CARRYING OUT AN INVESTIGATION OF

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B. 2045



*56C-5893
Jda*

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PAGE TWO DE HQ 0326 UNCLAS

THE CAPTIONED MATTER. THE OIC ASKS ONLY THAT IT BE ADVISED OF ANY INFORMATION POTENTIALLY RELEVANT TO ITS INQUIRIES WHICH IS DEVELOPED DURING THE FBI INVESTIGATION OF CAPTIONED MATTER. THEREFORE, WFO IS DIRECTED TO REPORT ANY SUCH INFORMATION TO THE PCU AS IT IS OBTAINED DURING THE INVESTIGATION. IN TURN, THE PCU WILL DISSEMINATE THE INFORMATION TO THE OIC. IN REPORTING SUCH INFORMATION TO THE PCU, WFO SHOULD SPECIFICALLY IDENTIFY THE INFORMATION AS BEING POTENTIALLY RELEVANT TO THE OIC AND SHOULD REQUEST THAT THE INFORMATION BE DISSEMINATED TO THE OIC.

THE PCU WILL CONFIRM SA [REDACTED] OPINION VIA A LETTER TO THE OIC.

BT

#0326

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Memorandum



To : SAC, WFO (56C-589) (P) (C-7)

Date 7/17/87

From : SA [redacted]

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b7C

Subject : [redacted]

AMERICANS FOR STRENGTH THROUGH EFFICIENCY;
ELECTION LAW MATTER; PRELIMINARY INQUIRY
OO: WFO

On 7/14/87, Attorney [redacted] DOJ, telephoned SA [redacted] to discuss captioned matter. SA [redacted] furnished the details of the [redacted] interview which was conducted on 7/13/87, and Attorney [redacted] as a preliminary inquiry, however, it would have to be worked as a full investigation. SA [redacted] put forth the fact that the complainant in this matter, [redacted] had not yet been interviewed and that it was far too early in the investigation to proceed as a full investigation. Attorney [redacted] requested the interview of [redacted] to be conducted expeditiously.

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Later on 7/14/87, SSA [redacted] advised [redacted] Asst. Chief-Operations, PIS, DOJ, that FBIHQ [redacted] before WFO could proceed in this matter.

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On 7/15/87, WFO sent teletype to FBIHQ, Attn SSA [redacted] requesting authorization to interview [redacted] in light of the current OIC IRAN-CONTRA investigation.

On 7/16/87 at 6:00 pm, SSA [redacted] FBIHQ, telephoned SA [redacted] and [redacted] with the understanding that if information was developed pertinent to the OIC investigation, that this information would be conveyed to SSA [redacted] FBIHQ, with a request to provide this information to the OIC. SSA [redacted] [redacted] will be forwarded to WFO.

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1-WFO 56C-589
TTA

56-589-6

| | |
|--------------------------|---------|
| SEARCHED | INDEXED |
| SERIALIZED | FILED |
| JUL 21 1987 | |
| FBI - WASH. FIELD OFFICE | |

FEDERAL BUREAU OF INVESTIGATION

Date 7/15/87

1

[redacted]
Washington, D.C., telephone number [redacted] was contacted at his residence. [redacted] was advised of the identities of the interviewing agents, and the purpose of the interview. [redacted] furnished the following information:

b6
b7CPERSONAL HISTORY

[redacted] was born on July 4, 1957 at [redacted]
[redacted] furnished the following information concerning his employment history:

b6
b7CDATEPOSITION HELD

7/80

| | |
|------|------------|
| 1/81 | [redacted] |
| 6/81 | [redacted] |
| 6/84 | [redacted] |
| 6/85 | [redacted] |
| 6/85 | [redacted] |

b6
b7C

WASHINGTON FIELD

Investigation on 7/13/87 at Washington, D.C. File 56C-589-7
SA [redacted] ^{NNW} TTA:ldj Date Dictated 7/15/87
By SA [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date 7/28/871

[REDACTED] provided a memorandum captioned
"Memorandum for the record".

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WASHINGTON FIELD
Investigation on 7/7/87 at Washington, D.C. File 56C-589-9
ASSA [REDACTED]
By SA [REDACTED] TTA:ldj Date Dictated 7/13/87
220

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FEDERAL BUREAU OF INVESTIGATION

Date 7/28/871

[redacted]
Washington, D.C., was requested to furnish additional details concerning a campaign fundraising breakfast for Senator CHARLES E. GRASSLEY during December 1985. [redacted] furnished the following information:

The fundraising breakfast was held in the [redacted] room in the U.S. Capitol.

[redacted] CARL CHANNELL carried out the fundraising activity related to this breakfast. No financial transactions related to the fundraising breakfast occurred at the U.S. Capitol; the contributions were received before or after the breakfast was held.

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Investigation on 7/14/87 at Washington, D.C. File 56C-589 - 10
by telephone WASHINGTON FIELD

BB SA [redacted]

TTA:ldj Date Dictated 7/15/87

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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

56C-589

Washington Field Office
Washington, D.C. 20535

July 28, 1987

[redacted]
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AMERICANS FOR STRENGTH THROUGH EFFICIENCY;
ELECTION LAW MATTER;
PRELIMINARY INQUIRY

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On June 17, 1987, [redacted] notified the Washington Field Office or the Federal Bureau of Investigation (FBI) that a possible violation of federal law had been committed by an official or officials of a [redacted] later made arrangements for an interview of [redacted] to be conducted by Special Agents of the FBI.

[redacted]
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On July 7, 1987, Special Agents of the FBI interviewed [redacted]

[redacted]
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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

5-Bureau
1-WFO (56C-589)

FBA:ldj (56C-589)
16

Bicentennial of the United States Constitution (1787-1987)

56C-589-10A
SEARCHED _____
INDEXED _____
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FILED _____



FBI

TRANSMIT VIA:

- Teletype
 Facsimile
 AIRTEL

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

7/28/87

Date

(2)

TO: ACTING DIRECTOR, FBI
ATTN: SSA [redacted] PUBLIC CORRUPTION UNIT
FROM: SAC, WFO (56C-589) (P) (C-7)
[redacted]

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AMERICANS FOR STRENGTH THROUGH EFFICIENCY;
ELECTION LAW MATTER;
PRELIMINARY INQUIRY;
OO:WFO

Re WFO teletype to the Bureau, dated 7/14/87 and Bureau teletype to WFO, dated 7/17/87.

Enclosed for the Bureau are the original and three copies of an LHM describing the initiation of captioned investigation [redacted] 302(1 copy) and [redacted] 302(1 copy).

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WFO will hand deliver one copy of the enclosed LHM to the Public Integrity Section, DOJ, Washington, D.C. [redacted]
[redacted] is the DOJ Attorney assigned to this case.

On 7/20/87, [redacted] ASE, was interviewed at the Washington Field Office. [redacted] claimed CARL "SPITZ" CHANNELL attempted a take over of the ASE with the assistance of subject [redacted] for the purpose of establishing a "front" for his conservative fundraising activities. [redacted] based this accusation on [redacted] CHANNELL and on information received from unnamed members of the news media community. According to [redacted] these news media contacts stated CHANNELL has taken over nine organizations

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✓ 2-Bureau (Encl. 6)
✓ 1-WFO

TTA:ldj *[Signature]*
(3)

1/29/87
DRB

Approved: _____ Transmitted _____ Per _____
(_____) (Number) (Time)

7/30/87-SA [redacted]
hand delivered
to [redacted] secretary.

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similar to ASE, for the purpose of converting them into fundraising organizations.

[redacted] stated that his news media contacts advised him that profits from the U.S. sales of arms to Iran were furnished to CARL CHANNELL. [redacted] stated that CHANNELL possibly provided a portion of this profit money [redacted]. [redacted] stated he believes [redacted] CHANNELL actually performed fundraising activities for [redacted] and that he (CHANNELL) directed that the contributions be made through [redacted] campaign manager. [redacted] based these allegations on the following information. It is [redacted] belief that [redacted] does not possess the qualities necessary to raise funds for a major campaign and would have to rely on his close associate, CARL CHANNELL, for that purpose. Several contributors to [redacted] campaign were located out of the state of [redacted]. [redacted] news media contacts advised him that CHANNELL and his associates made contributions to several conservative candidates seeking national offices. According to these news media contacts, a portion of the profits from the U.S. sales of arms to Iran was provided to CHANNELL and this money was used to make these contributions. [redacted] CHANNELL organized a fundraising breakfast for [redacted] during December 1985. CHANNELL contributed \$1,000 to [redacted] relative to this breakfast. According to [redacted] the following listed associates of CHANNELL each contributed \$1,000 to [redacted] relative to this fundraising breakfast:

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WFO 56C-589

Regarding statements he made to Senator GRASSLEY,
[redacted] had diverted ASE
funds for any purpose. Furthermore, [redacted]
that CARL CHANNELL had given subject [redacted] money for the
purchase of a home. He also [redacted] thousands of
dollars had been contributed to Senator GRASSLEY's 1986 campaign
through the conduit of fictitious supporters donors. [redacted]
said he was aware of no information that money had been
contributed to this campaign by individuals using false
identities.

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FD 302s re interview of [redacted] Senator
GRASSLEY will follow.

REQUEST OF FBIHQ:

It is requested that the Public Corruption Unit
disseminate one copy of this communication and one copy of the
enclosed LHM to the Office of Independent Counsel (OIC) LAWRENCE
E. WALSH, inasmuch as this information is potentially relevant to
the OIC's investigation.

Memorandum



To : SAC, WFO (56C-589) (P) (C-7)

Date 7/29/87

From : SA [redacted]

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Subject : [redacted]

AMERICANS FOR STRENGTH THROUGH
EFFICIENCY;
ELECTION LAW MATTER.
OO: WFO

On this date, subject [redacted] telephoned SA [redacted] and stated he had talked to Senator GRASSLEY this date. Immediately after stating this, [redacted] asked if the if the FBI had reached a "finding" in this matter. SA [redacted] responded that the case was still under investigation. [redacted] then asked for an estimate of time as to how long it would be before case was resolved, and he was told that the FBI could not under any circumstances answer such a question. Nothing else was discussed.

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| JUL 29 1987 | |
| FBI - WASH. FIELD OFFICE | |

[Handwritten signature over stamp]

Memorandum



To : SAC, WFO (56C-589) (P) (C-7)

Date 7/30/87

From : SA [redacted]

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Subject : [redacted]

ELECTION LAW

OO: WFO

On this date, SA [redacted] met with DOJ Attorney [redacted]
[redacted] discussed captioned matter, and furnished her
with copies of two 302s re interviews of [redacted] one 302
re interview of [redacted] one 302 re [redacted] furnishing
[redacted] memo (copy of memo furnished to [redacted] on 7/13),
two page list of [redacted] 302 on
[redacted] interview. The following investigative plan was agreed on:

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1. [redacted] will obtain relevant CHANNEL [redacted]
from OIC.

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2. FBI will interview individuals who contributed to GRASSLEY
campaign in conjunction with 12/24/85 fundraising breakfast.

3. FBI will obtain GRASSLEY [redacted]

[redacted] After the above documents and interviews are obtained, another
meeting will be held to discuss the prosecutive merits of this
matter.

1-WFO

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56C-589-13

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| JUL 30 1987 | |
| FBI - WASH. FIELD OFFICE | |

FBI

TTA/589/P

C-7#3

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
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 UNCLAS

Date

8/26/87

WY5

SD
22a

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI ROUTINE

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

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FBI, LOS ANGELES ROUTINE

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mjb A

[REDACTED] AMERICANS FOR STRENGTH THROUGH
 EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87.

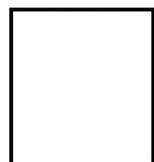
FOR INFORMATION OF LA DIVISION, WFO HAS RECEIVED ALLEGATIONS
 THAT SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL
 R. "SPITZ" CHANNELL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
 CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
 1985, CHANNELL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
 WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S
 CAMPAIGN. IT HAS BEEN ALLEGED THAT CHANNELL ILLEGALLY PROVIDED

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✓2-WFO

TTA:1&j
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56C-589-14

Approved: WDC/DMSTransmitted _____
(Number) M/F 14
At (Time): 3 PM '87 Per _____

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[^]PAGE TWO DE WF UNCLAS

FUNDS TO SENATOR GRASSLEY'S CAMPAIGN THROUGH THE INDIVIDUALS WHO MADE CONTRIBUTIONS RELATIVE TO THIS FUNDRAISING BREAKFAST.

IT SHOULD BE NOTED THAT CHANNELL PLEAD GUILTY TO A FEDERAL CRIMINAL CHARGE BROUGHT AGAINST HIM BY THE OFFICE OF INDEPENDENT COUNSEL (OIC) LAWRENCE WALSH. THIS CONVICTION WAS RELATED TO CHANNELL'S FUNDRAISING ACTIVITIES. IN ADDITION TO HIS POSITION WITH THE CAPTIONED NON-PROFIT FOUNDATION, SYNHORST WAS A PAID STAFF MEMBER OF SENATOR GRASSLEY'S 1986 ELECTION CAMPAIGN.

JAMES L. OWENS CONTRIBUTED \$1,000 TO SENATOR GRASSLEY'S REELECTION CAMPAIGN ON 12/24/85 RELATIVE TO THE FUNDRAISING BREAKFAST.

LEAD: LOS ANGELES DIVISION, AT LOS ANGELES, CALIFORNIA.

INTERVIEW JAMES L. OWENS, [REDACTED]

[REDACTED] CALIFORNIA AND OBTAIN DETAILED INFORMATION WHICH OWENS POSSESSES CONCERNING THE ABOVE ALLEGATION. THE INTERVIEWING AGENT SHOULD SPECIFICALLY QUESTION OWENS CONCERNING THE SOURCE OF THE \$1,000 WHICH HE CONTRIBUTED TO SENATOR GRASSLEY'S REELECTION CAMPAIGN AND REQUEST THAT OWENS PROVIDE DOCUMENTATION WHICH WOULD SUPPORT HIS STATEMENT (MONTHLY BANK STATEMENT AND CANCELED CHECK). BACKGROUND INFORMATION ON [REDACTED]

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SHOULD ALSO BE OBTAINED TO INCLUDE HIS RELATIONSHIP WITH
CHANNELL. ADDITIONALLY, [REDACTED] SHOULD BE QUESTIONED REGARDING HIS
KNOWLEDGE OF OTHER FUNDRAISING ACTIVITIES BY CHANNELL ON BEHALF
OF SENATOR GRASSLEY. FURNISH RESULTS TO WFO AND SSA [REDACTED]
PUBLIC CORRUPTION UNIT, FBIHQ.

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RR HQ LA

DE WF #0045 2382232

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R 262232Z AUG 87

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI ROUTINE

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

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FBI, LOS ANGELES ROUTINE

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[REDACTED] CHAIRMAN; AMERICANS FOR STRENGTH THROUGH
EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

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RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87.

FOR INFORMATION OF LA DIVISION, WFO HAS RECEIVED ALLEGATIONS
THAT SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL
R. "SPITZ" CHANNELL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
1985, CHANNELL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S
CAMPAIGN. IT HAS BEEN ALLEGED THAT CHANNELL ILLEGALLY PROVIDED

56C-589-14

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| AUG 27 1987 | |
| FBI - WASH. FIELD OFFICE | |
| [Signature] | |

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/26/87

1

[redacted] telephoned the Washington Field Office of the FEDERAL BUREAU OF INVESTIGATION and furnished the following information.

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Investigation on 7/7/87 at Washington, D.C. File# 56C-589 - *14A*
(by telephone) Washington Field
by SA [redacted] *22A* TTA:tfm Date Dictated 7/13/85

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/26/87

1

[redacted] Arlington, Virginia, telephone number [redacted]
[redacted] was interviewed at the Washington Field Office of the
FEDERAL BUREAU OF INVESTIGATION (FBI), 1900 Half Street, S.W.,
Washington, D.C. [redacted] furnished the following information:

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PERSONAL HISTORY

[redacted] was born on [redacted] at Minneapolis,
Minnesota. [redacted] furnished the following information
concerning his employment history:

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Date

Position Held

3/79 - 4/83

[redacted]

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5/83 - 3/86

Investigation on 7/20/87 at Washington, D.C. File# 56C-589-14C
by SA [redacted] 22A TTA:tfm Date Dictated 7/27/85

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- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date

8/28/87

0043

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

FBI, HOUSTON P R I O R I T Y

BT

UNCLAS

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[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87 AND WFO TELCALL
TO HO, 8/28/87.

FOR INFORMATION OF HO, WFO HAS RECEIVED ALLEGATIONS THAT
 SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL R.
 "SPITZ" CHANNELL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
 CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
 1985, CHANNELL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
 WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S

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✓2-WFO

TTA: 1d: foly
(2)

56C-589-15

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FBI

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 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date _____

PAGE TWO DE WF UNCLAS

CAMPAIGN. IT HAS BEEN ALLEGED THAT CHANNELL ILLEGALLY PROVIDED FUNDS TO SENATOR GRASSLEY'S CAMPAIGN THROUGH THE INDIVIDUALS WHO MADE CONTRIBUTIONS RELATIVE TO THIS FUNDRAISING BREAKFAST (CONDUIT FINANCING). [REDACTED]

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[REDACTED]
 SENATOR GRASSLEY'S 1986 ELECTION CAMPAIGN.

IT SHOULD BE NOTED THAT CHANNELL PLEAD GUILTY TO A FEDERAL CRIMINAL CHARGE BROUGHT AGAINST HIM BY THE OFFICE OF INDEPENDENT COUNSEL (OIC) LAWRENCE WALSH. THIS CONVICTION WAS RELATED TO CHANNELL'S FUNDRAISING ACTIVITIES.

G. DAVID LANE AND HIS WIFE, CYNTHIA, EACH CONTRIBUTED \$1,000 TO SENATOR GRASSLEY'S REELECTION CAMPAIGN ON 12/24/85 RELATIVE TO THE FUNDRAISING BREAKFAST. THE LANE'S RESIDENCE IS AT [REDACTED]

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[REDACTED] VIRGINIA, HOWEVER, DAVID LANE IS IN HOUSTON ON BUSINESS.

LEAD: HOUSTON DIVISION, AT HOUSTON, TEXAS.

EXPEDITIOUSLY INTERVIEW [REDACTED]

[REDACTED] AND OBTAIN DETAILED INFORMATION CONCERNING THE ABOVE ALLEGATION. THE INTERVIEWING AGENT SHOULD SPECIFICALLY QUESTION [REDACTED] CONCERNING THE SOURCE OF THE \$1,000

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TRANSMIT VIA:

- Teletype
- Facsimile
- _____

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date _____

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WHICH [REDACTED] CONTRIBUTED TO SENATOR GRASSLEY'S REELECTION CAMPAIGN AND REQUEST THAT [REDACTED] PROVIDE DOCUMENTATION WHICH WOULD SUPPORT HIS STATEMENT (MONTHLY BANK STATEMENT AND CANCELLED CHECK). BACKGROUND INFORMATION ON [REDACTED] SHOULD ALSO BE OBTAINED TO INCLUDE HIS RELATIONSHIP WITH CHANNELL.

ADDITIONALLY, [REDACTED] SHOULD BE QUESTIONED REGARDING HIS KNOWLEDGE OF OTHER FUNDRAISING ACTIVITIES BY CHANNELL ON BEHALF OF SENATOR GRASSLEY. FURNISH RESULTS TO WFO AND SSA [REDACTED] PUBLIC CORRUPTION UNIT, FBIHQ.

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Approved: _____ Transmitted _____ Per _____
(Number) (Time)

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FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

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FBI, HOUSTON P R I O R I T Y

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87 AND WFO TELCALL
TO HO, 8/28/87.

FOR INFORMATION OF HO, WFO HAS RECEIVED ALLEGATIONS THAT
SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL R.
"SPITZ" CHANNEL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
1985, CHANNEL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S

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RR HQ HO

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ZNR UUUUU

R 282339Z AUG 87

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

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FBI, HOUSTON P R I O R I T Y

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[REDACTED] AMERICANS FOR STRENGTH THROUGH
EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

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RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87 AND WFO TELCALL
TO HO, 8/28/87.

FOR INFORMATION OF HO, WFO HAS RECEIVED ALLEGATIONS THAT
SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL R.
"SPITZ" CHANNEL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
1985, CHANNEL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S

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| AUG 31 1987 | |
| FBI - WASH. FIELD OFFICE | |

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R 232332Z AUG 87

FM FBI WASHINGTON FIELD OFFICE (SGC-SGP) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT

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FBI, HOUSTON P R I O R I T Y

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UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO AIRTEL TO THE BUREAU, DATED 7/28/87 AND WFO TELCALL
TO HO, 8/28/87.

FOR INFORMATION OF HO, WFO HAS RECEIVED ALLEGATIONS THAT
SUBJECT [REDACTED] POLITICAL FUNDRAISER CARL R.
"SPITZ" CHANNELL IN MAKING ILLEGAL CONTRIBUTIONS TO SENATOR
CHARLES E. GRASSLEY'S 1986 REELECTION CAMPAIGN. ON DECEMBER 24,
1985, CHANNELL [REDACTED] ORGANIZED A FUNDRAISING BREAKFAST
WHICH GENERATED \$11,000 IN CONTRIBUTIONS FOR SENATOR GRASSLEY'S

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| AUG 31 1987 | |
| FBI - WASH. FIELD OFFICE | |
| [Signature] | |

PAGE TWO DE NF 0042 UNCLAS

CAMPAIGN. IT HAS BEEN ALLEGED THAT CHANNELL ILLEGALLY PROVIDED FUNDS TO SENATOR GRASSLEY'S CAMPAIGN THROUGH THE INDIVIDUALS WHO MADE CONTRIBUTIONS RELATIVE TO THIS FUNDRAISING BREAKFAST (CONDUIT FINANCING). IN ADDITION TO HIS POSITION WITH THE CAPTIONED NON-PROFIT FOUNDATION, [REDACTED]

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[REDACTED] SENATOR GRASSLEY'S 1996 ELECTION CAMPAIGN.

IT SHOULD BE NOTED THAT CHANNELL PLEAD GUILTY TO A FEDERAL CRIMINAL CHARGE BROUGHT AGAINST HIM BY THE OFFICE OF INDEPENDENT COUNSEL (OIC) LAWRENCE WALSH. THIS CONVICTION WAS RELATED TO CHANNELL'S FUNDRAISING ACTIVITIES.

G. DAVID LANE AND HIS WIFE, CYNTHIA, EACH CONTRIBUTED \$1,000 TO SENATOR GRASSLEY'S REELECTION CAMPAIGN ON 12/24/95 RELATIVE TO THE FUNDRAISING BREAKFAST. THE LANE'S RESIDENCE IS AT [REDACTED]

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[REDACTED] VIRGINIA, HOWEVER, DAVID LANE IS IN HOUSTON ON BUSINESS.

LEAD: HOUSTON DIVISION, AT HOUSTON, TEXAS.

EXPEDITIOUSLY INTERVIEW [REDACTED]

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[REDACTED] AND OBTAIN DETAILED INFORMATION CONCERNING THE ABOVE ALLEGATION. THE INTERVIEWING AGENT SHOULD SPECIFICALLY QUESTION [REDACTED] CONCERNING THE SOURCE OF THE \$1,000

56 C-589-15
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PAGE THREE DE WF 0043 UNCLAS

WHICH [REDACTED] CONTRIBUTED TO SENATOR GRASSLEY'S REELECTION CAMPAIGN AND REQUEST THAT [REDACTED] PROVIDE DOCUMENTATION WHICH WOULD SUPPORT HIS STATEMENT (MONTHLY BANK STATEMENT AND CANCELLED CHECK). BACKGROUND INFORMATION ON [REDACTED] SHOULD ALSO BE OBTAINED TO INCLUDE HIS RELATIONSHIP WITH CHANNELL. ADDITIONALLY, [REDACTED] SHOULD BE QUESTIONED REGARDING HIS KNOWLEDGE OF OTHER FUNDRAISING ACTIVITIES BY CHANNELL ON BEHALF OF SENATOR GRASSLEY. FURNISH RESULTS TO WFO AND SSA [REDACTED] PUBLIC CORRUPTION UNIT, FEIHO.

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56C-589-15
mf mf

C-7

Transmit attached by Facsimile - UNCLAS

Precedence PRIORITY

To: SAC, HOUSTON

Date: 8/28/87

From: SAC, WASHINGTON FIELD (56C-589) (C-7) Time: Transmitted -

Subject: [REDACTED]

Initials -

AMERICANS FOR STRENGTH THROUGH
 EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY;
 OO: WASHINGTON FIELD OFFICE

- Fingerprint Photo Fingerprint Record Map Newspaper clipping Photograph
- Artists Conception Other WFO airtel to Bureau, 7/28/87,
 without enclosures.

Special handling instructions: Re WFO telcall to Houston, 8/28/87 and WFO teletype
 to Bureau and Houston, 8/28/87. Attached airtel may assist HO Lead
 Agent in interview of [REDACTED] which lead

SEARCHED _____ INDEXED _____
 SERIALIZED *ML* FILED *ML*

56C-589-16

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| AUG 31 1987 | |
| FBI - WASH FIELD OFFICE | |
| [REDACTED] | [REDACTED] <i>ML</i> |

Approved: *WDF/JS/JB*

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***** TRANSMISSION REPORT( AUG 28 '87 ) ; WASH FLD OFFICE NCIC ****
* DATE      START      REMOTE TERMINAL      MODE      TIME      PAGES      RESULT
* AUG 28    19:33      FBI-HOUSTON      G3T      02'41"      001      OK
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FBI

TTA/589/p

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS

Date

9/22/87

0032

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO FBI LOS ANGELES P R I O R I T Y

BT

UNCLAS

AMERICANS FOR STRENGTH THROUGH

EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELETYPE TO BUREAU AND LA, 8/26/87.

RE TELETYPE REQUESTED LA TO INTERVIEW [redacted] LOS
 ANGELES, CALIFORNIA. DOJ ATTORNEY [redacted] HAS
 REQUESTED STATUS OF EFFORTS BY LA DIVISION TO CONDUCT THIS
 INTERVIEW.

LEAD: LOS ANGELES DIVISION, AT LOS ANGELES, CALIFORNIA.

ADVISE WFO BY TELETYPE ON STATUS OF LEAD SET OUT BY RE
 TELETYPE.

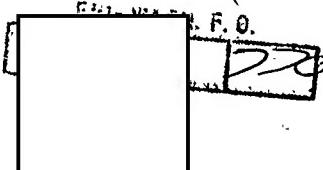
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✓2-WFO

TTA:ldj [initials]

56C-589-17
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 SERIALIZED FILED

Approved: WDL/bb Transmitted SEP 22 1987 Per 20 PM
 (Number) 4

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TTA/589/p

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO FBI LOS ANGELES P R I O R I T Y

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELETYPE TO BUREAU AND LA, 8/26/87.

RE TELETYPE REQUESTED LA TO INTERVIEW [REDACTED], LOS
ANGELES, CALIFORNIA. DOJ ATTORNEY [REDACTED] HAS
REQUESTED STATUS OF EFFORTS BY LA DIVISION TO CONDUCT THIS
INTERVIEW.

LEAD: LOS ANGELES DIVISION, AT LOS ANGELES, CALIFORNIA.

ADVISE WFO BY TELETYPE ON STATUS OF LEAD SET OUT BY RE
TELETYPE.

BT

✓2-WFO

TTA:ldj/lmj
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56C-589-17
[Handwritten signatures and initials over the bottom right corner.]

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PP LA

DE WF #0032 2652150

ZNR UUUUU

P 222150Z SEP 87

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO FBI LOS ANGELES P R I O R I T Y

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO:WFO.

RE WFO TELETYPE TO BUREAU AND LA. 8/26/87.

RE TELETYPE REQUESTED LA TO INTERVIEW [REDACTED] LOS
ANGELES, CALIFORNIA. DOJ ATTORNEY [REDACTED] HAS
REQUESTED STATUS OF EFFORTS BY LA DIVISION TO CONDUCT THIS
INTERVIEW.

LEAD: LOS ANGELES DIVISION, AT LOS ANGELES, CALIFORNIA.

ADVISE WFO BY TELETYPE ON STATUS OF LEAD SET OUT BY RE
TELETYPE.

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| SERIALIZED | FILED |
| SEP 23 1987 | |
| FBI - WASH. FIELD OFFICE | |

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PP LA

DE WF 00032 2652150

ZNR UUUUU

F 222150Z SEP 87

FM FBI WASHINGTON FIELD OFFICE (SAC-SER) (P) (C-7)

TO FBI LOS ANGELES P R I O R I T Y

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UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; DOJ:WFO.

RE WFO TELETYPE TO BUREAU AND LA, 8/26/87.

RE TELETYPE REQUESTED LA TO INTERVIEW [REDACTED] LOS
ANGELES, CALIFORNIA. DOJ ATTORNEY [REDACTED] HAS
REQUESTED STATUS OF EFFORTS BY LA DIVISION TO CONDUCT THIS
INTERVIEW.

LEAD: LOS ANGELES DIVISION, AT LOS ANGELES, CALIFORNIA.

ADVISE WFO BY TELETYPE ON STATUS OF LEAD SET OUT BY RE
TELETYPE.

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| SERIALIZED | FILED |
| SEP 23 1987 | |
| FBI - WASH. FIEL | |

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C-7

TINRNX.7 (#2408)

TEXT:

VZCZCLAD0012

PP WF

DE LA #0012 2662250

ZNR UUUUU

P 232250Z SEP 87

FM LOS ANGELES (56C-313) (WOC-4) (P)

TO WASHINGTON FIELD OFFICE (56C-589) C7) (P) PRIORITY

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; OO: WFO.

REFERENCE WASHINGTON FIELD OFFICE (WFO) TELETYPE TO LOS
ANGELES SEPTEMBER 22, 1987.

INTERVIEW OF JAMES L. OWENS CONDUCTED SEPTEMBER 21, 1987.
OWENS ADVISED HE WAS ASKED BY BOYD JEFFERIES TO CONTRIBUTE TO
SENATOR GRASSLEY'S CAMPAIGN. OWENS DECIDED ON AMOUNT AND MAILED
PERSONAL CHECK DIRECT TO CAMPAIGN OFFICE. OWENS DID NOT ATTEND
BREAKFAST. OWENS ADVISES HE IS NOT FAMILIAR WITH CARL CHANNELL

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[REDACTED]
RESULTS OF INTERVIEW AND COPY OF CHECK WILL BE FORWARDED TO
WFO.

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SAC 13 11 56C-589-18

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PAGE TWO DE LA 0012 UNCLAS

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#0012

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INBOX.7 (0240B)

TEXT:

VZCZCLAD012

PP WF

DE LA 00012 2662250

ZNR UUUUU

P 232230Z SEP 87

FM LOS ANGELES (560-3180) (WCC-4) (P)

TO WASHINGTON FIELD OFFICE (560-589) C7) (P) PRIORITY

BT

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[REDACTED] AMERICANS FOR STRENGTH THROUGH

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EFFICIENCY; ELECTION LAW MATTER; PRELIMINARY INQUIRY; GO; WFO.

REFERENCE WASHINGTON FIELD OFFICE (WFO) TELETYPE TO LOS ANGELES SEPTEMBER 22, 1987.

INTERVIEW OF JAMES L. OWENS CONDUCTED SEPTEMBER 21, 1987. OWENS ADVISED HE WAS ASKED BY BOYD JEFFERIES TO CONTRIBUTE TO SENATOR GRASSLEY'S CAMPAIGN. OWENS DECIDED ON AMOUNT AND MAILED PERSONAL CHECK DIRECT TO CAMPAIGN OFFICE. OWENS DID NOT ATTEND BREAKFAST. OWENS ADVISES HE IS NOT FAMILIAR WITH CARL CHANNELL

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[REDACTED] 56C-589-18
RESULTS OF INTERVIEW AND COPY OF CHECK WILL BE FORWARDED TO
WFO.

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PAGE TWO DE LA 0012 UNCLAS

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FBI

TRANSMIT VIA:

- Teletype
 Facsimile

PRECEDENCE:

- Immediate
 Priority
 Routine

CLASSIFICATION:

- TOP SECRET
 SECRET
 CONFIDENTIAL
 UNCLAS E F T O
 UNCLAS 9/24/87

Date _____

TO: ACTING DIRECTOR, FBI
ATTN: SSA [REDACTED] PUBLIC CORRUPTION UNIT
FROM: SAC, WFO (56C-589) (P) (C-7)
[REDACTED]

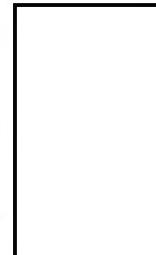

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AMERICANS FOR STRENGTH THROUGH EFFICIENCY;
ELECTION LAW MATTER;
PRELIMINARY INQUIRY;
OO:WFO

Re WFO airtel to Bureau, 7/28/87.

Enclosed for the Bureau are the following:

1. Two copies of an FD 302 re interview of 7/20/87.
2. Two copies of an FD 302 re interview of 7/7/87.
3. Two copies of an FD 302 re interview of 8/13/87.


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Copies of the enclosures to re airtel, as well as copies of the enclosed FD 302s have been furnished to DOJ Attorney [REDACTED]

REQUEST OF :FBIHQ:

It is requested that the Public Corruption Unit disseminate one copy of each enclosed FD 302 to the Office of Independent Counsel (OIC) LAWRENCE WALSH, inasmuch as the information is potentially relevant to the OIC's investigation.

2-Bureau (Encl. 6)
1-WFO

TTA:ldj [Signature]
(3)

9/28/87
DTB

Approved: _____ Transmitted _____ Per _____
(_____) (Number) (Time) 56C-589-19

Searched _____
Serialized _____
Indexed _____
Filed _____

Memorandum



To : SAC, WFO (56C-589) (P)

Date 9/24/87

From : SSA [redacted] C-7

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Subject : [redacted]

AMERICANS FOR STRENGTH THROUGH EFFICIENCY (ASE);
ELECTION LAW MATTER;
OO:WFO

On 9/22/87, SA [redacted] interviewed G. DAVID LANE regarding captioned matter. During the course of the interview LANE acknowledged that in December, 1986 he and his wife contributed a total of \$2,000 to the re-election bid of Senator CHARLES GRASSLEY. These contributions were made at a breakfast/fundraiser for Senator GRASSLEY by CARL SPITZ CHANNEL. During the course of the interview LANE also acknowledged the fact that CARL CHANNEL had repaid to he and his wife the sum of \$2,000 that was originally contributed to the GRASSLEY campaign.

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Based on the above information, it would appear that CARL SPITZ CHANNEL is guilty of a prima face violation of Title 2, Section 441(a) and Section 441(f). On 6/22 and 23 respectively, the writer discussed captioned matter with DOJ Attorney [redacted]. On 6/23/87, [redacted] telephonically advised as follows. [redacted] advised that he was desireous of [redacted] preliminary inquiry to a full investigation. [redacted]

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[redacted] Senator GRASSLEY campaign [redacted]
[redacted] noted that violations of Title 2, Sections 441 carry a three year statute of limitations and suggested that the aforesaid interviews be conducted without delay. He further advised that contact had been established between his office and the Office of Independent Counsel (Contra matters) in an effort to secure banking records of CARL SPITZ CHANNEL. He noted that any decision by the OIC to voluntarily provide these records would be

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spouse UC Tom Ruppenthal 9/25/87
Tellelyal sent to HQ 9/25/87

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| SEP 25 1987 | |
| FBI - WASH FIELD OFFICE | |
| [redacted] | DDA |

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made by the Independent Counsel handling the contra matter. He noted that the OIC could not be compelled to provide these records. Based on the above information, the following actions will be taken promptly.

1. Using a two page list of contributors provided by [redacted] will interview all persons identified as having a possible connection to CARL SPITZ CHANNELL.

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2. Will recontact [redacted] and determine if in fact all contributors represented by the two page list, were present at the December, 1985 breakfast sponsored by CARL CHANNELL for Senator GRASSLEY.

3. Will prepare a suitable communication to FBIHQ requesting that contact be established with the OIC for the purpose of requesting the banking records of CARL CHANNELL and/or any of his corporations.

4. Will reinterview [redacted] and ascertain if in fact he has knowledge of any other persons reimbursed for their campaign contributions to Senator GRASSLEY by CARL SPITZ CHANNELL. Will, if possible, obtain a signed statement from [redacted] reflecting the fact that he was reimbursed for his \$2,000 contribution.

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5. During a reinterview of [redacted] will ascertain approximately how many persons attended the breakfast fundraiser for Senator GRASSLEY in 1985 and thereafter obtain appropriate records from the FEC to further identify local contributors to this fundraising effort.

FBI

TRANSMIT VIA:

- Teletype
- Facsimile
-

PRECEDENCE:

- Immediate
- Priority
- Routine

CLASSIFICATION:

- TOP SECRET
- SECRET
- CONFIDENTIAL
- UNCLAS E F T O
- UNCLAS

Date

9/25/87

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

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TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [REDACTED]

BT

UNCLAS

[REDACTED] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE); ELECTION LAW MATTER; OO:WFO.

RE WFO TELETYPE TO BUREAU, DATED 8/28/87.

ON 9/22/87, WFO INTERVIEWED GLENN DAVID LANE, PRESIDENT, LANE AND ASSOCIATES, 515 2ND STREET, N.E., WASHINGTON, D.C. REGARDING A \$2,000 CONTRIBUTION MADE BY LANE AND HIS WIFE TO THE 1986 RE-ELECTION CAMPAIGN OF SENATOR CHARLES GRASSLEY. THE BUREAU SHOULD NOTE THAT LANE WAS ONE OF NUMEROUS CONTRIBUTORS TO GRASSLEY'S CAMPAIGN AT A BREAKFAST/FUNDRAISER SPONSORED BY CARL SPITZ CHANNELL ON 12/24/85. DURING THE COURSE OF THE INTERVIEW, LANE ACKNOWLEDGED THAT HE AND HIS WIFE HAD CONTRIBUTED A TOTAL OF

✓-WFO

DME:ldj/jd
(2)

56C-589 - 21

SEARCHED _____ INDEXED _____

SERIALIZED _____ FILED _____

Approved: WSB/BS Transmitted SEP 25 8 Number 1987 (Time) Per _____

FBI-WASH. F.O.

Arney DDC

^PAGE TWO DE WF UNCLAS

\$2,000 (\$1,000 EACH) TO THE GRASSLEY RE-ELECTION EFFORT. LANE ALSO NOTED THAT HE WAS SUBSEQUENTLY REIMBURSED THIS \$2,000 EXPENSE BY CARL SPITZ CHANNELL. LANE FURTHER ADVISED THAT HE WORKED FOR CHANNELL AS A PAID CONSULTANT FOR APPROXIMATELY THIRTY DAYS DURING DECEMBER, 1985 AND JANUARY, 1986.

THE ABOVE INFORMATION WAS DISCUSSED BY WFO WITH DOJ ATTORNEY

[REDACTED] ON 9/22/87. [REDACTED] NOTED THAT THE

AFOREMENTIONED ACTIONS BY CHANNELL AND LANE APPEARS TO CONSTITUTE VIOLATIONS OF TITLE 2, SECTIONS 441(A) AND 441(F). [REDACTED]

SPECIFICALLY REQUESTED THAT WFO [REDACTED]

PRELIMINARY INQUIRY TO A FULL INVESTIGATION. HE FURTHER REQUESTED THAT INTERVIEWS BE CONDUCTED EXPEDITIOUSLY WITH ALL CONTRIBUTORS SUSPECTED OF HAVING BEEN REIMBURSED BY CARL CHANNELL. IN THIS REGARD, THE BUREAU SHOULD NOTE THAT ACCORDING TO INFORMATION PROVIDED BY LANE, CHANNELL REIMBURSED LANE FOR THE AFORESAID \$2,000 CONTRIBUTION BY EITHER PERSONAL OR CORPORATE CHECK.

INVESTIGATION CONTINUING AT WFO; FBIHQ WILL BE KEPT APPRISED.

REQUEST OF FBIHQ.

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[^]PAGE THREE DE WF UNCLAS

1. THROUGH COORDINATION WITH THE OFFICE OF INDEPENDENT COUNSEL (CONTRA MATTER), WILL ASCERTAIN WHETHER OR NOT THE OIC WOULD PROVIDE TO WFO COPIES OF PERSONAL/CORPORATE BANKING RECORDS OF CARL CHANNELL.
2. IN THE EVENT THAT THE OIC DECIDES NOT TO PROVIDE THE RECORDS NOTED IN NUMBER ONE ABOVE, DETERMINE IF OIC WOULD IDENTIFY FOR WFO THE CORPORATE NAMES OF COMPANY'S OPERATED BY SUBJECT CHANNELL AND/OR THE BANKS HAVING RECORDS PERTAINING TO SAME.

BT

QPA/B8d
Dm13/5891P

FM FBI WASHINGTON FIELD OFFICE (56C-589) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [redacted]

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BT

UNCLAS

[redacted] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE); ELECTION LAW MATTER; OO:WFO.

RE WFO TELETYPE TO BUREAU, DATED 8/28/87.

ON 9/22/87, WFO INTERVIEWED GLENN DAVID LANE, PRESIDENT, LANE AND ASSOCIATES, 515 2ND STREET, N.E., WASHINGTON, D.C. REGARDING A \$2,000 CONTRIBUTION MADE BY LANE AND HIS WIFE TO THE 1986 RE-ELECTION CAMPAIGN OF SENATOR CHARLES GRASSLEY. THE BUREAU SHOULD NOTE THAT LANE WAS ONE OF NUMEROUS CONTRIBUTORS TO GRASSLEY'S CAMPAIGN AT A BREAKFAST/FUNDRAISER SPONSORED BY CARL SPITZ CHANNELL ON 12/24/85. DURING THE COURSE OF THE INTERVIEW, LANE ACKNOWLEDGED THAT HE AND HIS WIFE HAD CONTRIBUTED A TOTAL OF

✓ 2-WFO

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56C-589-21
Searched _____
Serialized _____
Indexed _____
Filed _____

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PP HQ

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ZNR UUUUU

F 2682317Z SEP 87

FM FBI WASHINGTON FIELD OFFICE (560-589) (P) (C-7)

TO ACTING DIRECTOR, FBI P R I O R I T Y

ATTN: PUBLIC CORRUPTION UNIT, SSA [redacted]

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BT

UNCLAS

[redacted] AMERICANS FOR STRENGTH THROUGH

EFFICIENCY (ASE); ELECTION LAW MATTER; OO:WFO.

RE WFO TELETYPE TO BUREAU, DATED 8/28/87.

ON 9/22/87, WFO INTERVIEWED GLENN DAVID LANE, PRESIDENT, LANE AND ASSOCIATES, 515 2ND STREET, N.E., WASHINGTON, D.C. REGARDING A \$2,000 CONTRIBUTION MADE BY LANE AND HIS WIFE TO THE 1986 RE-ELECTION CAMPAIGN OF SENATOR CHARLES GRASSLEY. THE BUREAU SHOULD NOTE THAT LANE WAS ONE OF NUMEROUS CONTRIBUTORS TO GRASSLEY'S CAMPAIGN AT A BREAKFAST/FUNDRAISER SPONSORED BY CARL SPITZ CHANNELL ON 12/24/85. DURING THE COURSE OF THE INTERVIEW, LANE ACKNOWLEDGED THAT HE AND HIS WIFE HAD CONTRIBUTED A TOTAL OF

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| SERIALIZED | FILED |
| SEP 28 1987 | |
| FBI - WASH. FIELD OFFICE | |

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PAGE TWO DE WF 0043 UNCLAS

\$2,000 (\$1,000 EACH) TO THE GRASSLEY RE-ELECTION EFFORT. LANE ALSO NOTED THAT HE WAS SUBSEQUENTLY REIMBURSED THIS \$2,000 EXPENSE BY CARL SPITZ CHANNELL. LANE FURTHER ADVISED THAT HE WORKED FOR CHANNELL AS A PAID CONSULTANT FOR APPROXIMATELY THIRTY DAYS DURING DECEMBER, 1985 AND JANUARY, 1986.

THE ABOVE INFORMATION WAS DISCUSSED BY WFO WITH DOJ ATTORNEY

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[REDACTED] ON 9/22/87. [REDACTED] NOTED THAT THE

AFOREMENTIONED ACTIONS BY CHANNELL AND LANE APPEARS TO CONSTITUTE VIOLATIONS OF TITLE 2, SECTIONS 441(A) AND 441(F). [REDACTED] SPECIFICALLY REQUESTED THAT WFO [REDACTED] PRELIMINARY INQUIRY TO A FULL INVESTIGATION. HE FURTHER REQUESTED THAT INTERVIEWS BE CONDUCTED EXPEDITIOUSLY WITH ALL CONTRIBUTORS SUSPECTED OF HAVING BEEN REIMBURSED BY CARL CHANNELL. IN THIS REGARD, THE BUREAU SHOULD NOTE THAT ACCORDING TO INFORMATION PROVIDED BY LANE, CHANNELL REIMBURSED LANE FOR THE AFORESAID \$2,000 CONTRIBUTION BY EITHER PERSONAL OR CORPORATE CHECK.

INVESTIGATION CONTINUING AT WFO; FBIHQ WILL BE KEPT APPRISED.

REQUEST OF FBIHQ.

56C-589-21

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PAGE THREE DE WF 0043 UNCLAS

1. THROUGH COORDINATION WITH THE OFFICE OF INDEPENDENT COUNSEL (CONTRA MATTER), WILL ASCERTAIN WHETHER OR NOT THE OIC WOULD PROVIDE TO WFO COPIES OF PERSONAL/CORPORATE BANKING RECORDS OF CARL CHANNELL.
2. IN THE EVENT THAT THE OIC DECIDES NOT TO PROVIDE THE RECORDS NOTED IN NUMBER ONE ABOVE, DETERMINE IF OIC WOULD IDENTIFY FOR WFO THE CORPORATE NAMES OF COMPANY'S OPERATED BY SUBJECT CHANNELL AND/OR THE BANKS HAVING RECORDS PERTAINING TO SAME.

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561-579-

Memorandum



To : SAC, WFO (56C-589) (P) (C-7)

Date 9/29/87

From : SA [redacted]

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TITLE CHANGED
Subject : CARL R. CHANNELL; [redacted]
[redacted]
ELECTION LAW MATTER;
OO: WFO

Title changed to delete AMERICANS FOR STRENGTH THROUGH EFFICIENCY (ASE), inasmuch as there is no evidence that ASE was utilized to facilitate captioned violation. Also, CARL R. CHANNEL was added to the title because investigation has identified CHANNELL as having...provided possible illegal contributions to SENATOR CHARLES GRASSLEY's 1986 re-election campaign.

Investigation has determined the following individuals each contributed \$1,000 to Senator GRASSLEY's 1986 campaign, in connection with the December 13rd, 1985 fundraising breakfast organized by subject CHANNELL:

1. CARL CHANNELL, Washington, DC.
2. [redacted] Washington, DC.
3. [redacted] Arlington, Va.
4. [redacted] Arlington, Va.
5. [redacted] Falls Church, Va.
6. [redacted] Falls Church, Va.
7. [redacted] Bowie, Md.
8. [redacted] Bowie, Md.
9. [redacted] Washington, DC, (CHANNELL's roommate).
10. [redacted] Washington, DC.

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[redacted] was interviewed and advised [redacted] were reimbursed for the \$2,000 they contributed to the campaign (by CHANNELL). Attorney [redacted] represents CHANNELL, [redacted] and she advised they have cooperation agreements with OIC WALSH. Attorney [redacted] and they also have b6
b7c cooperation agreements with the OIC. Efforts are being made to set up interviews with these individuals represented by counsel, as well as the other listed individuals not yet interviewed.

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TTA

OK
9/29/87

56C-589-22

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| SEARCHED | INDEXED |
| SERIALIZED | FILED |
| SEP 29 1987 | |
| FBI - WASH. FIELD OFFICE | |

[Redacted]

FEDERAL BUREAU OF INVESTIGATION

Date 10/1/871

[REDACTED] LANE & ASSOCIATES, 515 2nd Street, N.E., Washington, D.C., telephone number [REDACTED] was interviewed at his office and he furnished the following information:

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In his present position, [REDACTED] provides fundraising [REDACTED]

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[REDACTED] He and [REDACTED]
[REDACTED] Falls Church, Virginia, telephone number [REDACTED]

[REDACTED] CARL CHANNELL of the NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY for approximately thirty days during December, 1985 and January, 1986.

During December, 1985, LANE attended a fundraising breakfast for U.S. Senator CHARLES GRASSLEY's 1986 re-election campaign. LANE contributed \$1,000 to the campaign and his wife, who did not attend the breakfast, also contributed \$1,000. Both he and his wife wrote contribution checks drawn on their personal account at FIRST VIRGINIA BANK, Falls Church, Virginia. CHANNELL paid the LANEs \$2,000 for making the contributions. CHANNELL termed this payment to the LANEs as a "business expense reimbursement". The \$2,000 reimbursement was included in a check which paid LANE for his consultation services.

[REDACTED] does not know [REDACTED]

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WASHINGTON FIELD
Investigation on 9/22/87 at Washington, D.C. File 56C-589-24

By SA [REDACTED] 20 TTA:ldj Date Dictated 9/28/87

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

October 1, 1987

Honorable Lawrence E. Walsh
Office of Independent Counsel
Suite 701
555 13th Street, N.W.
Washington, D.C. 20004

Dear Judge Walsh:

We have previously informed you that our Washington Field Office opened a preliminary inquiry into possible election law violations involving Carl "Spitz" Channell, who apparently sponsored a breakfast fund raiser on behalf of Senator Charles Grassley in 1985.

During a recent interview of a contributor at that function, the Washington Field Office learned that Channell may have subsequently reimbursed the contributor and his wife an amount equal to their earlier contribution. Furthermore, the contributor acknowledged that he worked for Channell as a paid consultant during the same period.

This matter has now been converted to a full investigation pertaining to Channell, and it appears that certain documents, which we understand are now in your possession, may be of assistance in this investigation. If possible, we would appreciate your making available to us copies of all of Channell's personal and corporate banking records.

Your cooperation in this matter will be most appreciated.

Sincerely yours,

Floyd I. Clarke
Assistant Director
Criminal Investigative Division

1) - Washington Field Office

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589-25

SSA [redacted] [initials]
SA [redacted] 27A
ASPC [redacted] [initials]

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Washington Field Office
Washington, D.C. 20535
October 19, 1987

[redacted]
Assistant Staff Director for Disclosure
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Dear [redacted]

It is requested that your office provide the Federal Bureau of Investigation (FBI) with financial documents related to the 1986, re-election campaign of Senator Charles Grassley.

If available, we need the documents which record contributions to Senator Grassley's campaign during December, 1985.

Any questions regarding this matter should be referred to Special Agent [redacted] Thank you for your assistance.

Sincerely yours,

W. Douglas Gow
Special Agent in Charge

By: [redacted]
Supervisory Special Agent

2-Addressee
①-WFO
(56C-589)

TTA:rab
(3) *rab*

DRB
10/22/87

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/22/87
 (Corrected 11/23/87)

[redacted] LANE AND ASSOCIATES, Washington, D.C., telephoned the Washington Field Office of the Federal Bureau of Investigation (FBI). [redacted] who stated he was calling from Los Angeles, California, provided the following information:

During December, 1985 and January, 1986, [redacted] [redacted] CARL CHANNELL. During that time, he provided fund raising services for Freedom Forum, an organization which educated the public on domestic political issues. CHANNELL requested that [redacted] become a full-time employee however, [redacted] did not want to give up his independent status. Also, CHANNELL and [redacted] were unable to agree on [redacted] fee, therefore, [redacted] declined the offer of employment.

During December, 1985, LANE attended a fund raising breakfast for U.S. Senator CHARLES GRASSLEY'S 1986 Re-election Campaign. CHANNELL invited LANE and his wife to the breakfast, however, he advised LANE that he and his wife would have to contribute \$1,000.00 each to Senator GRASSLEY's campaign. LANE told CHANNELL that he was financially unable to contribute such an amount and CHANNELL responded that he would reimburse LANE and his wife for the contributions. CHANNELL made no statement that the LANE's contributions were part of a plan to disquise or conceal the true contributor to Senator GRASSLEY's campaign. At the time, LANE did not think the circumstances surrounding the contributions constituted a violation of any criminal law. He did consider the circumstances to be unusual.

There were six persons present at the GRASSLEY fund raising breakfast. Present were: Senator GRASSLEY, LANE, THOMAS SYNHORST, CARL CHANNELL, DANIEL CONRAD, and RICHARD MILLER. MILLER and CONRAD were associates of CHANNELL. FRANCES GOMEZ and F. CLIFTON SMITH were associates of CHANNELL, however, they were not present at the breakfast. LANE did not assist in organizing the breakfast and he therefore does not know the identities of contributors to Senator GRASSLEY's campaign.

Investigation on 10/6/87 at Washington, D.C. Washington Field File # WF 56C-589 - 27
 by JJO-SA [redacted] rdg Date dictated 10/7/87

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WFO 56C-589

Continuation of FD-302 of [redacted]

, On 10/20/87

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Other than the contribution described above, CHANNEL has never reimbursed [redacted] for contributions to political candidates.

At the breakfast, [redacted] one of [redacted] Since that time, [redacted] has had no further contact with [redacted]. [redacted] was asked why he had responded in the negative during a previous interview when asked whether he knew [redacted]. [redacted] stated that he thought the question had been whether he had known [redacted] prior to the campaign fund raising breakfast.

Memorandum



To : SAC, WFO (56C-589) (P) (C-7)

Date 10/21/87

From : SA [redacted]

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Subject : CARL CHANNELL;

[redacted]
ELECTION LAW MATTER;

OO: WFO

On instant date, SA [redacted] received telephone call from

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[redacted] ASE (AMERICANS FOR STRENGTH THROUGH EFFICIENCY),

who requested information on how to obtain CHANNELL's financial records which had been seized by FBI Agents. [redacted] said his attorney, [redacted] was in need of these records to show that

[redacted] solicited contributions from prospective ASE contributors and that the money went to CHANNELL's organization(s). [redacted]

was referred to OIC WALSH. [redacted] intends to file suit against [redacted] on behalf of [redacted]

to recover unpaid wages amounting to \$40,000.

[redacted] was also advised that the FBI was not investigating allegations that CHANNEL attempted a takeover of ASE as their was no evidence of conspiracy to violate federal laws in that issue.

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| FBI - WASH. FIELD OFFICE | |

[Signature]